

# Estate of Chemetco, Inc.

3754 Chemetco Lane • Hartford, IL 62048  
Office: (618) 254-4381 • Fax: (618) 254-0138  
www.chemetcoestate.com

January 9, 2012

Erin Rednour  
State Project Coordinator  
Illinois EPA RPMS/BOL  
1021 North Grand Avenue East  
Springfield, IL 62794-9276

James L. Morgan  
Assistant Attorney General  
Environmental Bureau  
500 Second Street  
Springfield, IL 62706

Re: **Monthly Status Report (January, 2012)**  
**Interim Order (Civil Case No.00-cv-670-DRH-DGW**  
**00-cv-670-DRH (consolidated))**

Dear Mrs. Rednour and Mr. Morgan:

As requested in the joint motion to extend the Interim Order, this letter documents the progress by the Bankruptcy Estate of Chemetco, Inc. ("Estate") during the month of December under the approved work plans; (Demolition Work Plan, Scrap Metal Work Plan, Copper Furnace Cleanup Solids, Scrubber Sludge Work Plan, etc) as indicated in the Extended Interim Order. It should be noted that the Interim Order has been extended through February 1, 2012.

## **Demolition Work Plan**

On December 14, 2011 at the request of the Illinois Environmental Protection Agency (IEPA) and United States Environmental Protection Agency (USEPA) an exit walkthrough was performed by American Integrated Services (AIS) with representatives of the IEPA, USEPA, Paradigm Minerals & Environmental Services (Paradigm), and the Estate to ensure that the demolition activities were completed to the satisfaction of the IEPA and USEPA. Demolition Activities were completed on December 16, 2011.

The following materials were generated and sold for recycling during the month of December.

- 35 containers of scrap metal (~324 tons) from the demolition of the foundry building, baghouse and AAF area were loaded and shipped to Grossman Steel out of St. Louis.
- 2 container of Stainless Steel (~87,520 lbs) from the AAF area was loaded and shipped to Hi-lite international out of California.

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- 1 container of scrap wire (~ 23,064 lbs) from the foundry building, AAF Area, and baghouse were shipped to Interco Metals out of Illinois.

### **Scrap Metal Work Plan**

The Estate of Chemetco did not generate nor gathered any scrap metal that could be used for recycling during the month of December.

### **Scrubber Sludge Work Plan**

Loading of the Scrubber Sludge mixed with fines continued throughout the month of December with Fred Weber Company performing the loading of Scrubber Sludge material into 1 Metric Ton Supersacks. The bags are then loaded in 20 ft steel sealed containers and shipped internationally to China. It should be noted that the Scrubber Sludge Material is being sold to H&H Metals and California Metals & Alloys Corp.

The following shipments were made during the month of December.

- 42 containers of Scrubber Sludge and Scrubber Sludge mixed with fines (~813 Metric Tons) were loaded and shipped internationally and sold to California Metals & Alloys Corp.
- 33 containers of Scrubber Sludge and Scrubber Sludge mixed with fines (~653 Metric tons) were loaded and shipped internationally and sold to H&H Metals.

It should be noted that the Metric Tons are net ton weight that includes the weight of the supersack bags, but do not include the tare weight for the wood bulkheads.

### **Scheduled Action Items for Next Month**

#### **Demolition Report.**

As discussed with the IEPA and USEPA on December 14, 2011, a Demolition Summary Draft Report (DSDR) will be required for the completion of the demolition activities. The DSDR is tentatively due by March 15, 2012. The Estate and Paradigm have begun gathering documentation for the DSDR.

As indicated in the November 2011 Letter Report, Hazardous Waste associated with the demolition work was temporary stored in steel 40 and 20 cubic yard (CY) containers. The containers are temporarily stored on site (within the allowed 90-day storage) and the containers will be picked up for proper disposal.

To date, eleven containers out of twenty six containers have been properly disposed. These containers have been shaded and are shown on the table below. For the month of December, one container was disposed of.

The summary table below summarizes the number of containers on site, and schedule of when the remaining containers are expected to be picked up and disposed of. In addition, the Estate and Paradigm are assessing the possibility of disposing of the containers in a more expeditiously manner as feasibly. It should be noted that all the containers have been disposed within the allowed storage time, and have not exceeded the allowed storage time.

<u>Number of bins</u>	<u>Accumulation Start Date</u>	<u>Description</u>	<u>Bin Number</u>	<u>90 Day Temp Storage Date</u>	<u>Manifest #</u>	<u>Date Picked Up</u>	<u>Status</u>	<u>Expected Ship Month</u>
1	7/27/2011	40 Yard Bin,	4097	10/25/2011	000440784WAS	10/25/11	Shipped	October
2	8/18/2011	40 Yard Bin,	4088	11/16/2011	000440785WAS	11/9/11	Shipped	November
3	8/19/2011	40 Yard Bin,	40170	11/17/2011	000440786WAS	11/10/11	Shipped	November
4	8/25/2011	40 Yard Bin,	4029	11/23/2011	000440787WAS	11/11/11	Shipped	November
5	8/26/2011	40 Yard Bin,	40130	11/24/2011	000440788WAS	11/14/11	Shipped	November
6	8/26/2011	40 Yard Bin,	40101	11/24/2011	000440789WAS	11/15/11	Shipped	November
7	8/29/2011	20 Yard Bin,	2066	11/27/2011	000440790WAS	11/16/11	Shipped	November
8	8/29/2011	20 Yard Bin,	20300	11/27/2011	000440791WAS	11/17/11	Shipped	November
9	8/30/2011	40 Yard Bin,	40124	11/28/2011	000440792WAS	11/17/11	Shipped	November
10	8/31/2011	40 Yard Bin,	4042	11/29/2011	000440793WAS	11/17/11	Shipped	November
11	9/19/2011	40 Yard Bin,	40109	12/18/2011	000440794WAS	12-12-11	Shipped	December
12	10/19/2011	40 Yard Bin,	40006	1/17/2012			Pending	January
13	10/20/2011	40 Yard Bin,	4025	1/18/2012			Pending	January
14	11/2/2011	40 Yard Bin,	40118	1/31/2012			Pending	January
15	11/2/2011	40 Yard Bin,	4039	1/31/2012			Pending	January
16	11/4/2011	40 Yard Bin,	40108	2/2/2012			Pending	February
17	11/4/2011	40 Yard Bin,	4074	2/2/2012			Pending	February
18	11/4/2011	40 Yard Bin,	40137	2/2/2012			Pending	February
19	11/7/2011	20 Yard Bin,	20463	2/5/2012			Pending	February
20	11/15/2011	40 Yard Bin,	40173	2/13/2012			Pending	February
21	12/3/2011	40 Yard Bin,	40170	3/2/2012			Pending	March
22	12/3/2011	40 Yard Bin,	4042	3/2/2012			Pending	March
23	12/3/2011	40 Yard Bin,	40124	3/2/2012			Pending	March
24	12/3/2011	40 Yard Bin,	4088	3/2/2012			Pending	March
25	12/3/2011	40 Yard Bin,	40101	3/2/2012			Pending	March
26	12/3/2011	20 Yard Bin,	20854	3/2/2012			Pending	March
27	12/5/2011	40 Yard Bin,	4093	3/4/2012			Returned container	March

In addition, container Number 4093 was not used, as such this container was returned, and will be removed from the above summary table.

### **Other Work Plan Activities**

#### **Scrubber Sludge**

The Estate and Paradigm plan to continue loading the material during the month of January.

#### **Copper Furnace Cleanup Solids**

On December, 2011, the Estate collected a composite assay sample from accumulated Copper Furnace Cleanup Solids (CFCS) that is currently located in the northwest corner area of the Foundry Building. The sample was sent for assay analytical testing and the assay analytical sample results will be used to sell the material to interested buyers. The Estate has sold CFCS in the past to Aurubis, and/or will be probably sold to China.

#### **Scrap Metals**

Now that the demolition activities have been completed, the Estate may begin assessing areas where scrap metal may be sold for recycling.

#### **Furnaces Removal Work Plan**

Talks have resumed between Metallo and the Estate of Chemetco regarding the purchasing of the three-TBRC metal furnaces located in the foundry building. The Estate may begin revising and/or updating the existing Work Plan for the removal of the furnaces.

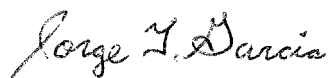
#### **Circuitry Board and Shredded Board Material Work Plan**

In the next few days, the Estate and Paradigm plans to submit to IEPA a Circuitry Board and Shredded Board Material Work Plan to sell the material that is currently located west of the foundry building, and inside the receiving building.

The next monthly progress report is due by the 10<sup>th</sup> of February. It should also be noted that as required by paragraph 34 of Section X. REPORTING REQUIREMENTS of the Interim Order, a quarterly progress report is also being submitted to IEPA and USEPA. If you have any questions, please do not hesitate to contact me at my office, 618/254-4381 x372 or by cell phone at 314-348-8211.

Sincerely

ESTATE OF CHEMETCO, INC.

A handwritten signature in cursive script that reads "Jorge Y. Garcia".

Jorge Y. Garcia PG

EH&S Manager

CC: Michelle Kerr, USEPA Region 5 Superfund  
Chris Cahnovsky, Regional Mgr, IEPA-Collinsville Office  
Donald Samson, Trustee  
Elliott Stegin, IAD/Paradigm  
Penni Livingston, Livingston Law Firm